

DAILY MARKETS OVERVIEW

29 MAY 2019

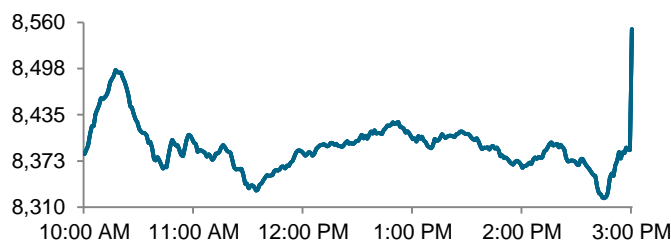
السوق السعودي كابتال

Saudi Fransi Capital

Distinguished Service, Outstanding Performance



TASI Intraday



Source: Reuters

Saudi Stock Indices

Index	Last Close	1 Day %	WTD %	YTD %	PE (TTM)
Saudi (TASI)	8,551	2.0	0.2	9.3	19.5
Saudi (NOMU)	3,502	2.7	-0.8	38.9	20.4
Energy	4,349	2.7	3.2	-10.3	22.3
Materials	5,351	2.3	0.4	1.9	20.1
Capital Goods	3,451	-0.3	-1.3	-11.5	28.9
Com. & Prof. Svc	4,229	0.9	0.8	2.2	18.9
Transportation	3,432	1.6	-0.7	-1.3	18.2
Cons. Durables & Apparel	3,292	-0.6	-0.6	-10.1	NA
Consumer Services	3,226	0.7	-0.9	9.5	NA
Media	10,275	6.3	6.0	1.0	49.9
Retailing	7,375	1.4	0.6	7.4	34.3
Food & Staples Retailing	6,389	5.4	4.2	7.5	30.4
Food & Beverages	4,233	2.6	0.6	8.9	NA
Health Care Equipment	3,866	4.9	4.5	2.9	27.4
Pharma, Biotech & Life Science	3,417	4.5	3.2	-11.9	NA
Banks	8,561	1.7	-0.7	18.7	14.5
Diversified Financials	3,157	0.0	0.7	-9.2	NA
Insurance	4,066	0.9	2.0	-2.6	NA
Telecommunication	6,288	1.8	0.4	16.3	21.5
Utilities	3,776	5.9	6.2	12.1	37.8
REITs	3,543	0.1	-0.2	-2.2	25.2
Real Estate	2,940	3.1	2.3	-8.8	NA

Sources: Bloomberg, Reuters, Tadawul

Top 5 Gainers

Company	Last Close	% Change	Value (SAR mn)
The Qassim Cement Co.	44.40	9.9%	23
Eastern Province Cement Co.	27.45	9.6%	13
Banque Saudi Fransi	42.25	9.5%	1,022
Al Hammadi Co for Development & Investment	23.42	9.3%	22
Yanbu Cement Co.	29.95	8.5%	31

Source: Tadawul

Upcoming General Assembly Meetings

Company	Date
Solidarity Saudi Takaful Co.	9-Jun-19
Yanbu Cement Co.	10-Jun-19
Middle East Specialized Cables Co.	10-Jun-19
Al Jouf Cement Co.	11-Jun-19
Al Sorayai Trading and Industrial Group	11-Jun-19
Saudia Dairy and Foodstuff Co.	11-Jun-19

Source: Tadawul

NOTES: (1) Prices as of last trade. Updated as of May 29, 2019
(2) WTD: Week to Date and YTD: Year to Date

Saudi Market Update

- TASI closed 2.0% higher at 8,551 while NOMU ended up 2.7% at 3,502 on Tuesday. TASI traded value totaled SAR 28.8bn and averaged SAR 5.1bn over the last 30 days. The five most active stocks (by value) in TASI accounted for 52.3% of the daily traded value.
- Banks and Materials gained 1.7% and 2.3%, respectively. Telecom closed 1.8% higher. Media (up 6.3%) was the best sector performer. Among stocks, The Qassim Cement Co. (3040/QACCO), Eastern Province Cement Co. (3080/EACCO AB), and Banque Saudi Fransi (1050/BSFR AB) led the gainers.
- The Capital Market Authority (CMA) amended regulations for joint stock companies under the companies law and corporate governance regulations. The new amendments will come into effect upon publication in the official gazette. (Source: Argaam)
- The number of employees at the financial institutions authorized by the CMA reached 4,317 in 1Q19, down by eight employees Q/Q. The Saudization rate at these institutions stood at 73% in 1Q19. (Source: Argaam)
- Saudi Real Estate Refinance Company (SRC), wholly owned by the Public Investment Fund (PIF), stated that the Ministry of Finance will provide guarantee for its future sukuk issuances. The Ministry guarantee will reduce the cost of funds for SRC, enabling it to attract foreign and local investors across capital markets. (Source: Argaam)
- Almarai Co. (2280/ALMARAI AB) announced that the firm has completed the acquisition deal of 100% percent stake of Premier Foods LLC. Almarai signed an agreement with Alamar Foods CJSC to acquire 100% stake in Premier Foods in February, for a value of SAR 108mn (USD 28.8mn). (Source: Argaam)
- Jazan Energy and Development Co (6090/GIZACO AB) extended the period to fulfill requirements of the Bakri International Energy Co. acquisition deal from May 31, 2019, to September 30, 2019. The company emphasized extension will not have a financial impact, adding that any material developments will be announced in a timely manner. (Source: Argaam)
- Al-Ahsa Development Co. (2140/AADC AB) extended a binding Memorandum of Understanding (MoU) to buy out Al Salam Medical Services Co. for 90 days until August 28, 2019. No financial impact is expected from the deal extension. (Source: Argaam)

Top 5 Losers

Company	Last Close	% Change	Value (SAR mn)
Saudi Advanced Industries Co.	11.94	-3.6%	5
Saudi Cable Co.	65.40	-3.5%	206
Leejam Sports Co.	65.50	-3.1%	30
Arab National Bank	24.24	-3.0%	19
Bawan Co.	13.32	-2.8%	1

Most Active Stocks by Value (SAR mn)

Company	Last Close	% Change	Value (SAR mn)
Al Rajhi Bank	68.90	2.1%	4,690
Saudi Basic Industries Corp.	110.40	2.0%	4,498
National Commercial Bank	54.70	-0.2%	2,552
Saudi Telecom Co.	101.40	-0.2%	1,930
Samba Financial Group	34.95	3.0%	1,359

Source: Tadawul

DAILY MARKETS OVERVIEW

29 MAY 2019

السوق الفرنسي كابتال
Saudi Fransi Capital
Distinguished Service, Outstanding Performance



GCC Stock Indices

Index	Last Close	1 Day %	WTD %	YTD %	PE (TTM)
Dubai (DFM)	2,607	1.2	0.7	3.1	11.4
Abu Dhabi (ADX)	4,791	0.3	0.3	-2.5	13.9
Kuwait (KSE)	5,371	0.0	0.4	3.6	16.3
Qatar (QE)	9,896	1.1	1.7	-3.9	13.9
Oman (MSM)	3,919	1.4	1.1	-9.4	7.7
Bahrain (BSE)	1,428	1.0	1.4	6.8	10.4
DJMENA Index	587	1.5	0.1	5.6	NA

Source: Bloomberg, Reuters

Global Stock Indices

Index	Last Close	1 Day %	WTD %	YTD %	PE (TTM)
US (S&P 500)	2,802	-0.8	-0.8	11.8	18.3
US (NASDAQ 100)	7,607	-0.4	-0.4	14.7	22.2
UK (FTSE 100)	7,269	-0.1	-0.1	8.0	17.2
Germany (DAX)	12,027	-0.4	0.1	13.9	16.0
France (CAC 40)	5,313	-0.4	-0.1	12.3	18.2
Russia (MICEX)	2,610	-0.9	-0.4	10.1	5.3
Japan (Nikkei)	21,260	0.4	0.7	6.2	15.8
Hong Kong (HSI)	27,391	0.4	0.1	6.0	10.5
South Korea (KOSPI)	2,049	0.2	0.2	0.4	11.6
China (SHCOMP)	2,910	0.6	2.0	16.7	14.0
India (NIFTY)	11,929	0.0	0.7	9.8	26.5
Brazil (IBOV)	96,393	1.6	3.0	9.7	17.6
Turkey (BIST 100)	86,778	1.4	0.8	-4.9	6.5
Egypt (EGX30)	14,028	0.5	1.8	7.6	14.7
MSCI Emerging Markets	988	-0.1	0.2	2.3	12.6
MSCI World	2,085	-0.6	-0.5	10.7	17.3

Source: Bloomberg, Reuters

Commodities Prices

Index	Last Close	1 Day %	WTD %	YTD %	1 Year %
Brent Crude (\$/bbl)	70.1	0.0	2.1	30.3	-7.0
Natural Gas (\$/mmbtu)	2.6	-0.7	-0.6	-12.2	-1.6
Gold (\$/oz)	1,279	-0.7	-0.4	-0.2	-1.5
Silver (\$/oz)	14.4	-1.7	-1.5	-7.4	-12.3
Platinum (\$/oz)	800	-1.4	-0.7	0.5	-11.7
Copper (\$/t)	5,941	0.2	0.2	-0.1	-13.2
Zinc (\$/t)	2,723	0.1	0.1	8.1	-11.9
Lead (\$/mt)	1,809	-0.3	-0.4	-10.0	-25.3
Wheat (\$/bu)	505	3.1	3.1	0.3	-15.4
Corn (\$/bu)	420	4.0	4.0	12.1	-3.6
Sugar (\$/lb)	11.8	0.8	0.8	-2.3	-13.5

Source: Bloomberg

Interest Rate Watch (3M Interbank Offer Rate, %)

Country	Last Close	1 Day Change	YTD Change	Spread*
US	2.52	0.00	-0.28	0.00
Saudi Arabia	2.85	0.00	-0.12	0.33
UAE	2.73	0.01	-0.10	0.21
Kuwait	2.69	0.00	0.38	0.16
Qatar	2.83	0.00	-0.07	0.31
Bahrain	3.27	0.00	-0.68	0.74

Source: Reuters

NOTES: (1) Prices updated as of May 29, 2019 (2) WTD: Week to Date; YTD: Year to Date; NA: Not Applicable, *Spread = US 3M Rate - Country 3M Rate

GCC & Global Markets Update

- US markets ended in the red on Tuesday. S&P 500 and NASDAQ declined 0.8% and 0.4%, respectively. Dow Jones Industrial closed 0.9% lower. In Europe, UK ended 0.1% lower while both Germany and France closed 0.4% lower.
- Asian markets are trading in the red on Wednesday. China is down 0.1%. Japan and South Korea are trading 1.2% and 1.4% lower, respectively. Hong Kong is down 0.4% while India is trading 0.3% lower.
- GCC markets ended mixed on Tuesday. Dubai and Abu Dhabi closed 1.2% and 0.3% higher, respectively. Kuwait ended flat while Qatar closed 1.1% higher. Oman and Bahrain gained 1.4% and 1.0%, respectively.
- According to UAE's Central Bank, the UAE has revised its expectations for economic growth downward in 2019, with real GDP now expected to grow 2.0% this year. In its last quarterly report in March, the Central Bank said it expected GDP to grow 3.5%. (Source: Zawya)
- The UAE's non-oil foreign trade reached a total of AED 1.6tn (USD 440bn) in 2018, according to the Federal Customs Authority. Direct non-oil foreign trade accounted for 63% of the total value, while free zone trade and customs warehouses amounted to 36.0% and 1.0%, respectively. (Source: Zawya)
- The Follow-Up Committee of the Initiatives of the UAE President has approved the funding of a number of new projects for the country, valued at AED 900mn (USD 245mn). (Source: Zawya)
- Bahrain Real Estate Investment Company (Edamah) has issued requests for proposal for the operation, management, and maintenance of Phase One of its BHD 3mn (USD 8mn) beachfront development, Bilaj Al Jazayer. (Source: Trade Arabia)
- South Korea-based Ssangyong Engineering & Construction (Ssangyong E&C) said it has won a contract worth USD 168mn (AED 617mn) from UAE-based Wasl Asset Management Group for the construction of a 44-storey residential building, Dubai 1 Residence. (Source: Trade Arabia)
- Dubai-based fuel retailer ENOC plans a major expansion by opening an additional 62 petrol stations in the UAE by 2020 at a cost of around AED 1.24bn (USD 338mn). ENOC is currently operating 129 service stations in the UAE. (Source: Zawya)
- Dubai-based Arabtec Holding's (ARTC UH) subsidiary, Target Engineering Construction, has been awarded an AED 192mn (USD 52.2mn) contract for the Wilton Park Residence project from Ellington Properties. The scope of work includes construction, MEP, landscaping, and irrigation works for the 12-storey residential twin towers in Al Merkadh, Dubai.

Coming Up

- US jobless claims for the week ended May 25 (prior: 211K; consensus: 215K) will be announced tomorrow. (Source: Econoday)
- US EIA Petroleum status report on weekly change in crude oil inventories for the week ended May 24 (prior: 4.7mn barrels) will be announced tomorrow. (Source: Econoday)
- Change in US' GDP for 1Q19 (prior: 1.3% Q/Q) will be announced tomorrow. (Source: Econoday)



Contacts

RESEARCH & ADVISORY

Research&Advisory@FransiCapital.com.sa

SAUDI FRANSI CAPITAL

Call Centre

800-125-9999

Website

www.sfc.sa

SAUDI FRANSI CAPITAL (CLOSED JOINT STOCK COMPANY OWNED BY BANQUE SAUDI FRANSI)

Licensed by the Capital Market Authority to conduct all securities business activities. license Number 11153-37

C.R. 1010231217 - Paid Up Capital 500,000,000 S.R.

Head Office: 8092 King Fahd Road - Riyadh 12313-3735 - Kingdom of Saudi Arabia

Mailing Address: P.O. Box 23454 - Riyadh 11426

Tel: +966 11 282 6666 - Fax: +966 11 282 6667

Disclaimer

The information in this report was prepared for the purpose of viewing public information only. This information was gathered in this report from various public sources believed to be reliable. Whilst all reasonable care has been taken to ensure that the facts, the forecasts, and expectations contained in this report are accurate. Saudi Fransi Capital makes no representations or warranties whatsoever as to the accuracy of the data and information provided and, in particular, Saudi Fransi Capital is not to be held responsible if the information in this report is not complete or free from any error.

This report is not to be construed as, an offer or solicitation of an offer to buy or sell any financial securities or adapt an investment or trading method. Saudi Fransi Capital accepts no liability whatsoever for any loss arising from any use of this report or its contents.

This report provides information of a general nature and is not intended to provide investment advice and does not take into account the reader's financial situation or any specific investment objectives which the reader may have. Before making any investment decision, the reader should seek an independent advice from his financial advisor because the investment in such kind of securities may not be suitable for all.